



# Virginia's Individual Development Accounts Program

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ACF ASSET Initiative: Bringing the Benefit of Asset Development to  
More Low-Income Families

# VIDA

- Initially, funded solely by VDSS Maintenance of Effort funds (state's match to TANF)
- AFI funding in 2006
- Run two separate programs
  - Initially only homeownership for AFI
  - Business and education using MOE

# Virginia's AFI Network Grant

- Collaborative effort *initially* focused on homeownership
- VACAP; VHDA; DSS; DHCD = AFI Management Team (AMT)
- VHDA supplies non-federal match for homeownership
- 2011 design change to offer all 3 goals under AFI
- DSS provides general fund match for biz and education

# VHDA & DHCD & DSS & VACAP

- Long-standing relationships; regular partners
- Familiar with programs & resources
  - VHDA services DHCD's HOME loans; collaborate on housing projects that need a mix of financing
  - DHCD & DSS have partnered on IDAs and other issues since early 2000s
  - DSS contracts with VACAP to provide grants to free tax prep coalitions

# Virginia's AFI Network Grant

- Interconnecting and leveraging missions
- DHCD's overall mission: partner to communities seeking to create better economic and homeownership opportunities for their citizens:
  - Down payment assistance/Neighborhood Stabilization Program
  - Micro-enterprise development -VEI
  - Workforce development - Communities for Opportunity



## VIDA Overview

- More than 50 intermediaries
- Intermediaries are CAAs; housing non-profits; micro-development organizations
- 2 to1 match; up to \$2,000 in savings
- 2 years to complete (flexible depending on circumstances)
- 3 bank partners



# VIDA Overview

- Second iteration of program design
- Centralized account management/virtual match assignment
  - VIDA built banking relationships to get state-wide coverage
  - Intermediaries focus on TA, case management, training
  - Flexibility to re-assign match
  - Evaluation of savers progress

# Outreach and Service Provision

- Occur at local level
- AMT helps make connections and connects the dots
- AMT offers tools to use: statewide news releases, brochures; events; radio shows





## Our Typical Client

- No “targeted” population
- Female
- African American
- Between the ages of 20 to 40
- Single, never married OR divorced, separated (only 20 % are married)
- Full-time employment
- Some college or HS diploma or GED

# Our Typical Client

- Single adult to household
- One to two children
- Urban
- Claimed EITC
- Had a checking account prior to VIDA; more than ½ had savings account
- Uses about \$3,396 in matching funds
- **TOTAL savings = \$500,000**



## Challenges

- Sole focus on housing
- Different assets funded by different programs; no easy fluidity
- Retention . . .recruitment of “ready” savers

## Solutions

- Flexible non-federal match & program design change
- Partner pipeline development; pre-IDA savings

## Successes

- **Richmond saver** started homeownership in 2009 (NVNV)
- Switched to business & graduated in 7/11
- IDA helped buy materials etc. to expand his small biz
- Design company serving nonprofit & green building industries
- Has cerebral palsy

## Successes

- **Roanoke homeownership saver** started in 2010 (TAP)
- Single mom with 1 child; CNA ~ \$9.50
- *“My daughter and I will have a place to call home for the rest of our lives”*
- Saved \$2,000 & bought her 1<sup>st</sup> home eight months later
- *“Blessed”*

# Questions?

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